

# S. 2265 – To extend the existing provisions regarding the eligibility for essential air service subsidies through fiscal year 2008

# FLOOR SITUATION

S. 2265 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Senator John Thune (R-SD) on October 30, 2007. The Senate passed the bill by unanimous consent on October 31, 2007. It was referred to the House Committee on Transportation and Infrastructure, but was never considered. The bill is expected to be considered on the floor on November 6, 2007.

### **SUMMARY**

S. 2265 extends authority for subsidies for the essential air service program through fiscal year 2008.

#### **BACKGROUND**

The Airline Deregulation Act (P.L. 95-504) was enacted in 1978, allowing airline carriers greater flexibility in determining their flight schedules. Prior to enactment, carriers operating certificates required them to operate a minimum number of trips for most airports. In order to address concerns that deregulation would cause communities with lower traffic levels to lose coverage, Congress established the essential air service program.

This program provides subsidies through the Department of Transportation to guarantee that these smaller communities remain connected to the national air transportation system. There are approximately 140 communities that receive subsidies through the program. According to Congressional Research Service, Congress provided \$109 million for the essential air service program in FY2007, which is partially funded by overflight fee collections.

# ADDITIONAL INFORMATION

Department of Transportation: Essential Air Service Program

# **COST**

The Congressional Budget Office has not scored this legislation.

## **STAFF**

For questions or further information contact Shea Loper at (202) 226-2302.